



DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

7 CFR Parts 905 and 944

[Doc. AMS-SC-18-0046; SC18-905-3 FR]

**Oranges, Grapefruit, Tangerines, and Pummelos Grown in
Florida and Imported Grapefruit; Change in Grade and Size
Requirements**

AGENCY: Agricultural Marketing Service, USDA.

ACTION: Final rule.

SUMMARY: This rule implements a recommendation from the Citrus Administrative Committee (Committee) to revise the grade and size requirements currently prescribed under the marketing order for oranges, grapefruit, tangerines, and pummelos grown in Florida. This rule removes the grade and size requirements for Ambersweet and Temple oranges, and simplifies the tables outlining the grade and size requirements for interstate and export shipments. A corresponding change will be made to the grapefruit import regulation as required under section 8e of the Agricultural Marketing Agreement Act of 1937.

DATES: Effective [INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER].

FOR FURTHER INFORMATION CONTACT: Abigail Campos, Marketing Specialist, or Christian D. Nissen, Regional Director, Southeast Marketing Field Office, Marketing Order and Agreement Division, Specialty Crops Program, AMS, USDA; Telephone: (863) 324-3375, Fax: (863) 291-8614, or Email: Abigail.Campos@usda.gov or Christian.Nissen@usda.gov.

Small businesses may request information on complying with this regulation by contacting Richard Lower, Marketing Order and Agreement Division, Specialty Crops Program, AMS, USDA, 1400 Independence Avenue SW, STOP 0237, Washington, DC 20250-0237; Telephone: (202) 720-2491, Fax: (202) 720-8938, or Email: Richard.Lower@usda.gov.

SUPPLEMENTARY INFORMATION: This final rule, pursuant to 5 U.S.C. 553, amends regulations issued to carry out a marketing order as defined in 7 CFR 900.2(j). This final rule is issued under Marketing Order No. 905, as amended (7 CFR part 905), regulating the handling of oranges, grapefruit, tangerines, and pummelos grown in Florida. Part 905 (referred to as the "Order") is effective under the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601-674), hereinafter referred to as the "Act." The Committee locally administers the Order and is

comprised of producers and handlers of citrus operating within the area of production, and a public member.

This rule is also issued under section 8e of the Act, which provides that whenever certain specified commodities, including grapefruit, are regulated under a Federal marketing order, imports of these commodities into the United States are prohibited unless they meet the same or comparable grade, size, quality, or maturity requirements as those in effect for the domestically produced commodities.

The Department of Agriculture (USDA) is issuing this final rule in conformance with Executive Orders 13563 and 13175. This action falls within a category of regulatory actions that the Office of Management and Budget (OMB) exempted from Executive Order 12866 review. Additionally, because this final rule does not meet the definition of a significant regulatory action, it does not trigger the requirements contained in Executive Order 13771. See OMB's Memorandum titled "Interim Guidance Implementing Section 2 of the Executive Order of January 30, 2017, titled 'Reducing Regulation and Controlling Regulatory Costs' " (February 2, 2017).

This rule has been reviewed under Executive Order 12988, Civil Justice Reform. This rule is not intended to have retroactive effect.

The Act provides that administrative proceedings must be exhausted before parties may file suit in court. Under section 608c(15)(A) of the Act, any handler subject to an order may file with USDA a petition stating that the order, any provision of the order, or any obligation imposed in connection with the order is not in accordance with law and request a modification of the order or to be exempted therefrom. A handler is afforded the opportunity for a hearing on the petition. After the hearing, USDA would rule on the petition. The Act provides that the district court of the United States in any district in which the handler is an inhabitant, or has his or her principal place of business, has jurisdiction to review USDA's ruling on the petition, provided an action is filed not later than 20 days after the date of the entry of the ruling.

There are no administrative procedures that must be exhausted prior to any judicial challenge to the provisions of import regulations issued under section 8e of the Act.

This final rule revises the grade and size requirements under the Order. This action removes the grade and size requirements for Ambersweet and Temple oranges, and simplifies the tables outlining the grade and size requirements for interstate and export shipments. These changes were unanimously recommended by the Committee on April 26, 2018. In addition to these changes, the Committee also recommended relaxing the minimum grade requirements for oranges and Fall-glo, Sunburst, and Honey tangerines from U.S. No. 1 to U.S. No. 2.

On November 15, 2018, the Committee met again and revisited the recommendation to relax the minimum grade requirements for oranges and tangerines. The Committee voted to withdraw their recommendation to relax the minimum grade requirements for oranges and tangerines from a U.S. No.1 to a U.S. No. 2, recommending that USDA consider maintaining the current minimum grade requirements for oranges and tangerines. After receiving the Committee recommendation, USDA reviewed volume and shipment projected by National Agricultural Statistical Service (NASS) for the 2018-19 season and determined the final rule should be revised to reflect a withdrawal of the original proposal.

Consequently, this final rule does not include the proposed change to the minimum grade requirements for oranges and tangerines from a U.S. No. 1 to a U.S. No. 2.

Section 905.52 provides authority to establish minimum grade requirements for Florida citrus. Section 905.306 specifies, in part, the minimum grade requirements for citrus. Requirements for domestic shipments are specified in § 905.306 in Table I of paragraph (a) and for export shipments in Table II of paragraph (b). Minimum grade and size requirements for grapefruit imported into the United States are currently in effect pursuant to § 944.106 (7 CFR 944.106).

The Committee met on April 26, 2018, and discussed ways to provide additional supplies of Florida citrus to the marketplace and increase grower and handler returns. Committee members recognized that with the ongoing impacts of citrus greening, some adjustments should be made to assist growers and handlers and provide for the utilization of additional volume of Florida citrus in the fresh market.

Citrus greening has caused the steady decline in Florida citrus production and has spread to all citrus producing counties in Florida. From the 2011-12 to the

2016-17 season, citrus greening has reduced Florida's orange production by 53 percent and tangerine production by 67 percent. During the same period, fresh shipments have declined by 54 percent for oranges and 80 percent for tangerines.

The industry suffered additional production losses as a result of damage from Hurricane Irma in September 2017. According to USDA's National Agricultural Statistics Service (NASS), production for the 2016-17 season totaled 68.8 million boxes for oranges and 1.6 million boxes for tangerines. For the 2017-18 season, the forecasted production was expected to decrease by 34 percent for oranges and 53 percent for tangerines. Also, the citrus trees may take several seasons to recover from the hurricane damage, further impacting production and supply.

Given the decrease in production, the Committee recommended relaxing the minimum grade requirements for oranges and Fallglo, Sunburst, and Honey tangerines from U.S. No. 1 to U.S. No. 2. During the discussion of this change, one Committee member stated the reduction in grade could help address the limited volumes of fruit available in the market. It was also stated that there was a good

fresh juice market for the U.S. No. 2 orange and that this change could help promote the sale of more oranges for the fresh juice market.

For tangerines, it was stated that the very limited volumes of tangerines being produced in Florida was causing a supply concern for shippers. Members agreed lowering the grade for tangerines would promote increased shipments.

The Committee had agreed relaxing the grade from a U.S. No. 1 to a U.S. No. 2 for oranges and Fallglo, Sunburst, Honey tangerines would allow growers and handlers to utilize a greater percentage of the crop and would make more fruit available for shipment. By implementing this change, more fruit would meet grade requirements, and the industry would be able to put an additional 300,000 cartons or more into the fresh market, helping to maximize shipments and to increase grower and handler return.

The Committee met again on November 15, 2018, and revisited the recommendation to relax the minimum grade requirements for oranges and tangerines. During their discussion, members raised their concerns about its initial recommendation. In April 2018, the Committee made its recommendation given the decline in volume due to citrus

greening and Hurricane Irma. Some members stated the recommendation to reduce the grade from a U.S. No. 1 to U.S. No. 2 was based on the projected numbers provided. At the time, the forecasted production for the 2017-18 season was expected to decline by 34 percent for oranges and 53 percent for tangerines and there were questions about how much the production for the 2018-19 season would recover.

The production estimates for the 2018-19 season were issued prior to the Committee's November meeting. Those estimates show production for the 2018-19 season are up considerably from 2017-18 production. According to NASS, the forecasted production for the 2018-19 season is 77 million boxes of oranges, 1.2 million boxes of tangerines, and 6.4 million boxes of grapefruit. Production for 2017-18 was just 44.95 million boxes for oranges, 750,000 boxes of tangerines, and 3.8 million boxes of grapefruit. Compared to the 2017-18 production, the 2018-19 season will provide an increase in production of 71 percent for oranges, 61 percent for tangerines, and 68 percent for grapefruit.

Committee members stated the change in minimum grade was no longer supported by industry members and that

maintaining the current minimum grade would allow the industry to supply quality product and meet market demand. The Committee agreed the recommended change was no longer needed, given there will be an ample supply of product this season. For these reasons, the Committee voted to withdraw its recommendation to the Secretary to relax the minimum grade requirements for oranges and tangerines from a U.S. No. 1 to a U.S. No. 2. After receiving the Committee recommendation, USDA reviewed the volume and shipment forecast as projected by NASS for the 2018-19 season. Because the NASS data projects an increase in the volume of oranges and tangerines available for market, USDA has determined that the proposed change should not be finalized. Therefore, the proposed relaxation of the minimum grade requirements for oranges and tangerines is withdrawn and is not included in this final rule. The current regulations regarding the minimum grade requirements for oranges and tangerines remain in effect.

During the April 26, 2018 meeting, the Committee also discussed the limited production of Ambersweet and Temple oranges (also known as Royal tangerines). In the past, the Committee has considered removing the grade and size

requirements for varieties with limited commercial value due to the very limited supplies available for shipment. Last season, Ambersweet oranges accounted for 4,280 cartons and Temple oranges accounted for a total of 40,227 cartons sold. Given the decline in production, the Committee recommended removing restrictions on grade and size for Ambersweet and Temple oranges to maximize remaining shipments.

The Committee also recommended simplifying Table I and Table II in § 905.306, which outline the minimum grade and size requirements for interstate and export shipments, to make them better reflect current industry requirements. Over the past few years, the Committee has made ongoing changes to both minimum grade and size for a number of Florida citrus varieties. These changes have moved minimum grade and size requirements toward greater commonality for both oranges and grapefruit.

With the minimum grade change presented in the proposed rule, there would have been no differences in minimum grade and size requirements for the various types and varieties of oranges listed in the table. Therefore, the Committee recommended that "Early and midseason"

oranges be consolidated with "Navel" and "Valencia and other late type" oranges into one "Oranges" classification. These changes will be made by making some changes to Table I and Table II, as without the change from a U.S. No. 1 to U.S. No. 2 minimum grade for oranges there will still be some differences in grade among orange varieties. For grapefruit, the minimum grade and size requirements for the two listed categories are already the same. "Seedless, red" and "Seedless, except red" are combined into one "Grapefruit, seedless" classification.

In addition, the Committee recommended removing the "Regulation Period" column from the two tables. Except for the dates listed in Table I for Valencia and other late type oranges, the various dates listed are no longer applicable and are not reflective of the current industry practice. As the grade change originally proposed for oranges will not be made, the current dates listed for Valencia and other late type oranges will be maintained in Table I to recognize there are different grades associated with different regulatory periods. The Committee made these recommendations to simplify the tables to reflect changes in the industry.

Section 8e of the Act provides that when certain domestically produced commodities, including grapefruit, are regulated under a Federal marketing order, imports of that commodity must meet the same or comparable grade, size, quality, and maturity requirements as those in effect for the domestic commodity. Because this rule combines "Seedless, red" and "Seedless, except red" into one classification for grapefruit in the two domestic handling regulation tables as well as removes the "Regulation Period" column dates from those tables, a corresponding change to the table in the grapefruit import regulations is required.

Further, two minor administrative changes will be made to § 944.106. In § 944.106(c), the reference to "\$ 905.306" is revised to read "\$ 905.306(a) through (d)" so that the requirements specifically applicable to imports are more clearly defined. Additionally, § 944.106(d) is updated to reflect the revised name of the Agricultural Marketing Service (AMS) program area that oversees federal marketing orders.

Final Regulatory Flexibility Analysis

Pursuant to requirements set forth in the Regulatory Flexibility Act (RFA) (5 U.S.C. 601-612), AMS has considered the economic impact of this action on small entities. Accordingly, AMS has prepared this final regulatory flexibility analysis.

The purpose of the RFA is to fit regulatory actions to the scale of businesses subject to such actions in order that small businesses will not be unduly or disproportionately burdened. Marketing orders issued pursuant to the Act, and the rules issued thereunder, are unique in that they are brought about through group action of essentially small entities acting on their own behalf.

There are approximately 20 handlers of Florida citrus who are subject to regulation under the Order and approximately 500 citrus producers in the regulated area. There are approximately 50 citrus importers. Small agricultural service firms are defined by the Small Business Administration (SBA) as those having annual receipts of less than \$7,500,000, and small agricultural producers are defined as those having annual receipts of less than \$750,000 (13 CFR 121.201).

According to data from NASS, the industry, and the Committee, the weighted average f.o.b. price for Florida citrus for the 2016-17 season was approximately \$15.20 per carton with total shipments of 12.6 million cartons. Using the number of handlers, and assuming a normal distribution, the majority of handlers have average annual receipts of more than \$7,500,000 (\$15.20 times 12.6 million equals \$191,520,000 divided by 20 handlers equals \$9,576,000 per handler).

In addition, based on the NASS data, the weighted average grower price for the 2016-17 season was approximately \$8.30 per carton of citrus. Based on grower price, shipment data, and the total number of Florida citrus growers, and assuming a normal distribution, the average annual grower revenue is below \$750,000 (\$8.30 times 12.6 million cartons equals \$104,580,000 divided by 500 growers equals \$209,160 per grower).

South Africa, Peru, and Mexico are the major grapefruit-producing countries exporting grapefruit to the United States. In 2016, shipments of grapefruit imported into the United States totaled approximately 24,000 metric tons. Information from USDA's Foreign Agricultural Service

indicates that the dollar value of imported fresh grapefruit was approximately \$11.2 million in 2016. Using this value and the number of importers (approximately 50), most importers would have annual receipts of less than \$7,500,000 for grapefruit.

Based on the previously described estimates, the majority of handlers of Florida citrus may be classified as large entities, while the majority of growers and importers may be classified as small entities.

This final rule removes the grade and size requirements for Ambersweet and Temple oranges, and simplifies the tables outlining the grade and size requirements for interstate and export shipments. This rule revises § 905.306. Authority for this change is provided in § 905.52. This rule also changes § 944.106 in the grapefruit import regulation and is required by section 8e of the Act.

This action is not expected to increase the costs associated with the Order's requirements or the grapefruit import regulation. Rather, it is anticipated this action will have a beneficial impact. Removing the size requirements for Ambersweet and Temple oranges will help

maximize shipments of these varieties impacted by declining production. The benefits of this rule will also be equally available to all growers, handlers, and importers, regardless of their size.

An alternative to this action would be to maintain the current minimum requirements for domestic shipments of Ambersweet and Temple oranges. However, leaving the requirements unchanged will not make additional fruit available for shipment. Therefore, this alternative was rejected.

In accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. Chapter 35), the Order's information collection requirements have been previously approved by OMB and assigned OMB No. 0581-0189, Fruit Crops. No changes in those requirements are necessary as a result of this action. Should any changes become necessary, they would be submitted to OMB for approval.

This final rule will not impose any additional reporting or recordkeeping requirements on either small or large Florida citrus handlers. As with all Federal marketing order programs, reports and forms are periodically reviewed to reduce information requirements

and duplication by industry and public sector agencies. As noted in the initial regulatory flexibility analysis, USDA has not identified any relevant Federal rules that duplicate, overlap, or conflict with this rule. No public comments were received regarding the initial regulatory flexibility analysis.

AMS is committed to complying with the E-Government Act, to promote the use of the Internet and other information technologies to provide increased opportunities for citizen access to Government information and services, and for other purposes.

The Committee's meetings were widely publicized throughout the citrus industry, and all interested persons were invited to attend the meetings and participate in Committee deliberations. Like all Committee meetings, the April, 26, 2018, and November 15, 2018, meetings were public meetings, and all entities, both large and small, were able to express their views on this issue.

A proposed rule concerning this action was published in the *Federal Register* on October 19, 2018 (83 FR 53003). Copies of the proposed rule were sent via email to Committee members and Florida citrus handlers.

Additionally, the rule was made available through the internet by USDA and the Office of the *Federal Register*. A 30-day comment period ending November 19, 2018, was provided to allow interested persons to respond to the proposal.

During the comment period, 12 comments were received in response to the proposal. Of the comments received, 2 were in support of the regulations as proposed, an additional comment was in support but requested some changes to the proposal, 8 were opposed, and 1 took no position.

In the two comments that supported the regulation, both stated producers and consumers would benefit from this action. One comment mentioned the change would allow less product to go to waste. The other comment mentioned there would be no major negative effects to the fresh market besides consumers purchasing smaller size fruit.

The comment supporting the proposal with changes was submitted by the chairperson of the Citrus Administrative Committee, and reflected the position taken by the Committee during its November 15, 2018, meeting. The comment stated support for the proposed regulations but

requested that USDA deny the request to lower the minimum grade for Florida oranges and Fallglo, Sunburst, and Honey tangerines to a U.S. No. 2. The commenter stated that the Committee's request was based on objections voiced from within the Florida citrus industry. The comment mentioned the proposal to relax the minimum grade from a U.S. No. 1 to a U.S. No. 2 was a result of crop damage from Hurricane Irma. With operations estimated to have losses of 30 to 100 percent of their crop, the proposed change to the minimum grade requirements was intended to make more product available and align the grade for Florida oranges with the current minimum grade for Texas and imported oranges.

The commenter added that the Committee recommends proceeding with the other changes in the proposed rule, including removal of grade and size requirements for Ambersweet and Temple oranges, and simplifying the tables outlining the grade and size requirements for interstate and export shipments.

Of the comments received in opposition to the regulation, all eight opposed the proposal to relax the minimum grade from a U.S. No. 1 to a U.S. No. 2 for Florida

oranges and tangerines. Many of the comments expressed concern this change would negatively impact quality. Other comments mentioned that a relaxation of the minimum grade requirements is unnecessary as the 2018-19 season should provide an ample supply of high-quality fruit. As mentioned above, after receiving the Committee recommendation and other comments, USDA reviewed the volume and shipment forecast as projected by NASS for the 2018-19 season and determined the proposal to relax the minimum grade requirements for oranges and tangerines should be withdrawn. Consequently, this final rule does not include a change to the minimum grade requirements from a U.S. No. 1 to a U.S. No. 2 for oranges and tangerines. The current regulations remain unchanged.

Two comments raised concerns over the consolidation of the grapefruit requirements for "Seedless, red" and "Seedless, except red" into one "Grapefruit, seedless" classification. Both commentators mentioned this change could cause harm to the fresh red grapefruit markets, and that Texas is known for its deep red variety of fresh grapefruit. Both comments also question what economic

problems would befall Texas growers with the elimination of the red grapefruit category.

For grapefruit, the grade and size requirements for "Seedless, red" and "Seedless, except red" are already the same. The definition for grapefruit in the Order still includes "red grapefruit, to include all shades of color." This final rule does not eliminate the grade and size requirements for red seedless grapefruit; it simply combines the two categories into one "Grapefruit, seedless" classification. The grade and size requirements for grapefruit, regardless of color, remains the same. This is the case for both Florida and imported grapefruit. Further, 7 CFR part 906, Oranges and Grapefruit Grown in Lower Rio Grande Valley in Texas, the marketing order for Texas citrus that is not affected by this rulemaking, establishes the minimum grade and size requirements for Texas grapefruit. These requirements do not include a separate category for red grapefruit.

This final rule does not eliminate the requirements for red seedless grapefruit or eliminate it as a variety. This final rule provides that regardless of color, Florida grapefruit shipped outside of the production area must meet

the grade and size requirements established under the Order.

A comment submitted on behalf of the Florida Citrus Packers expressed opposition to all the changes in the proposed rule. The comment acknowledged the Committee's initial recommendation to relax the minimum grade requirements for oranges and tangerines was made to align the minimum grade for oranges with the requirements for Texas and imports, while making more oranges available for specialized channels of trade. However, after recent discussions, the organization favors a return to the original Order language.

As previously stated, USDA will not move forward with the change in minimum grade requirements for oranges and tangerines. Concerning the group's opposition to the other parts of the proposed rule, no additional information or analysis was provided in the comment. No AMS response is required. With regards to eliminating the grade and size requirements for Ambersweet and Temple oranges, production of these two varieties has been declining for years and is expected to continue to decline. Shipments are limited and represent only a small portion of overall fresh shipments

and are not anticipated to return to commercial shipping levels. The additional changes made by the rule make no substantive change to the requirements under the Order but does simplify the language in the rules and regulations, making it easier to read and follow.

Another comment in opposition expressed concerns about the changes proposed to the import requirements. Specifically, it states the proposed rule discusses grapefruit while not addressing orange and mandarin results, and that the proposal provides no analysis on what the impact would be specific to grapefruit, orange, and/or mandarin imports. The comment also questions whether the proposed changes would have an adverse effect on the California and Texas citrus industries by allowing offshore competitors to flood the market with less expensive product.

Section 8e of the Act provides that when certain domestically produced commodities, including grapefruit, are regulated under a Federal marketing order, imports of that commodity must meet the same or comparable grade, size, quality, and maturity requirements as those in effect for the domestically produced commodity. As this rule

combines "Seedless, red" and "Seedless, except red" into one classification for grapefruit in the two domestic handling regulation tables and removes the dates under "Regulation Period" from those tables, a corresponding change to the table in the grapefruit import regulations is required by section 8e. In addition, two minor administrative changes will be made to § 944.106, revising it to make the requirements specifically applicable to imports are more clearly defined and to update the name of the AMS program area that oversees federal marketing orders.

The Secretary has determined grapefruit imported into the United States are in most direct competition with grapefruit grown in Florida regulated under marketing order 905, and oranges imported into United States are in most direct competition with oranges grown in Texas regulated in marketing order 906. Accordingly, the import requirements for grapefruit reflect the requirements in marketing order 905 and the import requirements for oranges reflect the requirements under marketing order 906. Section 8e does not list tangerines or mandarins as a commodity subject to its requirements. Thus, there are currently no import

requirements for tangerines or mandarins specified in the import regulations.

The rule only reflects changes to the grapefruit import regulation, as it is the only import regulation impacted by this change. The changes to the requirements for oranges and tangerines considered under this regulation only impact fruit produced in the Florida citrus production area.

Regarding the impact of the final rule on the grapefruit import requirements, this rule adjusts the appearance of the table in the import regulation and makes two minor administrative adjustments. These changes do not impact the substantive requirements applied to imported grapefruit. Further, as the rule only makes changes to the grapefruit import requirements, no analysis of the rule's impact on oranges and tangerine imports is warranted.

In response to the concerns raised about whether the changes would have an adverse effect on the California and Texas citrus industries by allowing offshore competitors to flood the market with less expensive product, this rule does not make changes to the grade and size requirements applied to imported grapefruit. Further, the minimum grade

requirements for imported oranges reflect the minimum grade established under the Texas citrus marketing order 906, which is currently a U.S. No. 2 for both Texas and imported oranges. Consequently, this rule makes no substantive change to the grade and size requirements for imported grapefruit, and no change to the import requirements for oranges. Therefore, the changes outlined in this rule should not have substantive impact on the volume of citrus imported into the United States.

One last commenter took no position on the rule, but rather questioned whether this change would create a lower standard for Ambersweet and Temple oranges. This rule creates a lower standard by removing the grade and size requirements for both varieties.

For the reasons discussed above, USDA will not move forward with the reduction in minimum grade requirements for oranges and tangerines. With regards to the other provisions of the proposed rule, no changes will be made to the rule as proposed, based on the comments received.

A small business guide on complying with fruit, vegetable, and specialty crop marketing agreements and orders may be viewed at: <http://www.ams.usda.gov/rules->

regulations/moa/small-businesses. Any questions about the compliance guide should be sent to Richard Lower at the previously mentioned address in the **FOR FURTHER INFORMATION CONTACT** section.

In accordance with section 8e of the Act, the United States Trade Representative has concurred with the issuance of this rule.

After consideration of all relevant matter presented, including the information and recommendation of the Committee and other available information, it is hereby found that this rule, as hereinafter set forth, will tend to effectuate the declared policy of the Act.

List of Subjects

7 CFR Part 905

Grapefruit, Marketing agreements, Oranges, Pummelos, Reporting and recordkeeping requirements, Tangelos, Tangerines.

7 CFR Part 944

Avocados, Food grades and standards, Grapefruit, Grapes, Imports, Kiwifruit, Limes, Olives, Oranges.

For the reasons set forth in the preamble, parts 905 and 944 are amended as follows:

PART 905 - ORANGES, GRAPEFRUIT, TANGERINES, AND PUMMELOS
GROWN IN FLORIDA

1. The authority citation for part 905 continues to read as follows:

Authority: 7 U.S.C. 601-604.

2. In § 905.306, paragraph (a), Table I in paragraph (a), paragraph (b), and Table II in paragraph (b) are revised to read as follows:

**§905.306 Orange, Grapefruit, Tangerine and Tangelo
Regulation.**

(a) No handler shall ship between the production area and any point outside thereof, in the 48 contiguous States and the District of Columbia of the United States, any variety of fruit listed in column (1) of Table I, except for Ambersweet and Temple, unless such variety meets the applicable minimum grade and size (with tolerances for size as specified in paragraph (c) of this section) specified for such variety in columns (2) and (3) of Table I:
Provided, That all grapefruit meet the minimum maturity requirements specified in paragraph (e) of this section.

Table I

Variety	Regulation Period	Minimum Grade	Minimum Diameter (Inches)
(1)	(2)	(3)	(4)
Oranges			
Early and midseason		U.S. No. 1	2-4/16
Navel		U.S. No. 1	2-4/16
Valencia	September 1-May 14	U.S. No. 1	2-4/16
and other	May 15-June 14	U.S. No. 1	2-4/16
late type		Golden	
	June 15- August 31	U.S. No. 2, External/ U.S. No. 1, Internal	2-4/16
Grapefruit, Seedless		U.S. No. 1	3
Tangerines			
Fallglo		U.S. No. 1	2-6/16
Honey		Florida No. 1	2-6/16
Sunburst		U.S. No. 1	2-6/16
Tangelos		U.S. No. 1	2-8/16

(b) No handler shall ship to any destination outside the 48 contiguous States and the District of Columbia of the United States any variety of fruit listed in column (1) of Table II, except for Ambersweet and Temple, unless such variety meets the applicable minimum grade and size (with tolerances for size as specified in paragraph (c) of this section) specified for such variety in columns (2) and (3) of Table II: Provided, That all grapefruit meet the minimum

maturity requirements specified in paragraph (e) of this section.

Table II

Variety	Minimum grade	Minimum diameter (inches)
(1)	(2)	(3)
Oranges	U.S. No. 1	2-4/16
Navels	U.S. No. 1 Golden	2-4/16
Grapefruit, Seedless	U.S. No. 1	3
Tangerines		
Fallglo	U.S. No. 1	2-6/16
Honey	Florida No. 1	2-6/16
Sunburst	U.S. No. 1	2-6/16
Tangelos	U.S. No. 1	2-8/16

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PART 944 - FRUITS; IMPORT REGULATIONS

3. The authority citation for part 944 continues to read as follows:

Authority: 7 U.S.C. 601-674.

4. In § 944.106, revise the table in paragraph (a), paragraph (c), and the first sentence in paragraph (d) to read as follows:

§ 944.106 Grapefruit import regulation.

(a) * * *

Grapefruit classification (1)	Minimum grade (2)	Minimum diameter (inches) (3)
<hr/>		
Grapefruit, seedless	U.S. No. 1	3

* * * * *

(c) Terms and tolerances pertaining to grade and size requirements, which are defined in the United States Standards for Grades of Florida Grapefruit (7 CFR 51.750-51.784), and in Marketing Order No. 905 (7 CFR §§ 905.18 and 905.306(a) through (d)), shall be applicable herein.

(d) The Federal or Federal-State Inspection Service, Specialty Crops Program, Agricultural Marketing Service, United States Department of Agriculture, is designated as the governmental inspection service for certifying the grade, size, quality, and maturity of grapefruit imported into the United States. * * *

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Dated: April 12, 2019.

Bruce Summers,

*Administrator,
Agricultural Marketing Service.*

BILLING CODE 3410-02 P

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